GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:7309
ANSWERED ON:13.05.2005
FINANCE COMMISSION
Surendran Shri Chengara

Will the Minister of FINANCE be pleased to state:

(a) whether the Government has directed the 12th Finance Commission to go into the issue of arranging funds to tackle natural calamities;

(b) if so, the details thereof;

(c) whether any report on the issue has been submitted by the commission; and

(d) if so, the details thereof and the action taken by the Government thereon?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM):

(a) and (b) Terms of Reference of the Twelfth Finance Commission (TFC) included review of arrangement regarding financing of Disaster Management with reference to the National Calamity Contingency Fund (NCCF) and the Calamity Relief Fund (CRF) recommended by the Eleventh Finance Commission.

(c) TFC, in their report for the five year period 2005- 10, recommended continuance of the scheme of CRF and NCCF in its present form, with an enhanced size of the CRF at Rs. 21,333.33 crore with Center`s share of Rs. 16,000 crore and State`s share of Rs. 5,333.33 crore. The Commission further recommended inclusion of four additional calamities of landslides, avalanches, cloud burst and pest attacks as eligible for assistance from CRF/NCCF.

(d) The Government of India has accepted these recommendations of the Commission.